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TAGS: PREL ECON FAIR ECIN RR GG
SUBJECT: GEORGIA: CHARTER FLIGHTS TO RUSSIA SET TO RESUME JANUARY
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¶1. (SBU) Summary: Private airline Georgian Airways (formerly Airzena) is scheduled to initiate charter flights to Moscow and St. Petersburg on January 8, 9, and 10. Russia ended direct flights as a part of its embargo against Georgia in October 2006. The new temporary routes will be the first commercial flights between Georgia and Russia since a brief relaxation of the sanctions in 2008, prior to the August conflict. Georgian Airways leadership told us that they hope this initial approval will lead to additional flights to Russia later in January. End Summary.

LONG STANDING EMBARGO KEEPS FLIGHTS GROUNDED

¶2. (U) Russia ended direct air flights with Georgia in October 2006, following a spying controversy between the two countries. The suspension of flights was part of a larger package of economic sanctions against Georgia which included banning flights prior to the August 2008 conflict. In August 2007, after lengthy negotiations, the Russian Transport Ministry announced that Russian airspace would not be opened for Georgian airlines, including charter flights. A major sticking point in those negotiations was a USD 3 million debt allegedly owed by defunct Georgian air carriers. Moscow demanded payment for the alleged debt; however, the Georgian side denied it owed any arrears.

¶4. (U) Flights were restored for several months in 2008, but cut again when diplomatic relations were suspended after the August 2008 war. This current agreement to restart charter flights was reached with mediation by the Georgian Patriarch to temporarily resume charter flights for the 2009 New Year/Orthodox Christmas period.

PROGRESS SLOW IN COMING . . .

¶5. (U) According to the press, Georgian Airways then requested permission from the Russian aviation authorities to operate charter flights from Tbilisi to Moscow and St. Petersburg from December 26 through January 15. This move followed Russian President Dmitry Medvedev's statement that he did not see any obstacles preventing the resumption of direct flights, and President Saakashvili's response that he would welcome flights if sanctions were removed.

¶6. (SBU) The Vice President of Georgian Airways told emboffs that the airline filed its application through aviation channels on December 11, 2009, planning ten chartered flights during the New Year holidays, with the first ones taking place on December 29-30. The press reported that the Russian side responded by asking the Georgian civil aviation authorities to confirm if Georgian Airways had a permit to initiate flights to Russia and to clarify the ownership status of the airline. The press also reported that Russian aviation authorities again claimed that Georgian owed outstanding debt of roughly USD 750,000 as of October 31, 2009 (Note: The Russian claims of debt seem to stem from the debts of several long defunct Georgian air companies which were liquidated in bankruptcy. It is unclear why the Russian side would demand payment for the arrears either from the GoG or Georgian Airways since the debt involves a commercial debt in which neither the GoG nor Georgian Airways was involved. End Note.) According to Georgian Deputy Foreign Minister Nino Kalanadze, "(t)he Russian Transport Ministry made its inquiry concerning Georgian Airways on December 27...Georgia gave an immediate answer." Georgia confirmed the Q27...Georgia gave an immediate answer." Georgia confirmed the ownership status of the airline and reassured that neither it nor Georgian Airways had any legal responsibility to pay any claimed debts to the Russian aero-navigation service early on December 28.

...BUT FINALLY MADE

¶7. (SBU) According to Georgian Airways, Russian permission was received at 10:00 p.m. Tbilisi time on December 28. With such short notice, the airline could not prepare for the flights or sell tickets, rendering it unable to fly to Moscow and St. Petersburg on December 29-30. Georgian Airways filed a second request for permission for charter flights from January 5 through 25, and was granted approval for flights on January 8, 9, and 10.

POLITICAL BARBS TRADED

¶8. (SBU) The Georgian Government responded strongly to Russian MFA statements accusing the Georgians of unnecessarily delaying the

process and using red tape to delay flights long-awaited by the Georgian and Russian people. In responding, the Georgian MFA stressed that Russian authorities never officially contacted Georgian authorities about the resumption of flights. The MFA statement went on to say that "(t)he information on the possible realization of charter flights between Georgia and Russia became known to the Ministry of Foreign Affairs of Georgia from the

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statements made by the Russian Foreign Ministry. Georgia never put barriers to air communication between two countries. The Russian side through its unilateral decision severed air links between the two states." During a December 30 meeting with the DCM, Foreign Minister Vashadze provided greater detail on this point, accusing the Russians of not appropriately handling the issue - which in his view should have initially involved the Swiss Government as the protecting power.

¶9. (SBU) Minister of Infrastructure and Regional Development Davit Tkeshelashvili called upon Russia to "give up playing hide and seek and say openly if they want to restore air ties with Georgia." The minister noted that, "(t)he decision on cutting air ties with Georgia was made by Russia, not by Georgia; therefore, the decision on resuming flights must be made by Russia." Post will follow this issue as discussions continue regarding the possibility of additional flights in the future.

LOGSDON